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UNITED STATES BANKRUPTCY COURT
 SOUTHERN DISTRICT OF NEW YORK

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In re:	:	Chapter 11
	:	Case Nos. 00-B-41065 (SMB)
RANDALL'S ISLAND FAMILY GOLF	:	through 00-B-41196 (SMB)
CENTERS, INC., <u>et al.</u> ,	:	
	:	(Jointly Administered)
Debtors.	:	

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**ORDER PURSUANT TO SECTION 363 OF THE BANKRUPTCY CODE AND
 BANKRUPTCY RULE 6004 APPROVING AND AUTHORIZING THE SALE OF CERTAIN
 FEE-OWNED PROPERTY TO THE PURCHASER
FREE AND CLEAR OF LIENS, CLAIMS, ENCUMBRANCES AND INTERESTS**

Upon the motion (the "Motion") of the above-captioned debtors and debtors-in-possession (the "Debtors"), including GBGC Family Golf Centers, Inc. for an order, pursuant to sections 105(a), 363(b) and (f) and 1146(c) of title 11 of the United States Code (the "Bankruptcy Code") and Rules 2002 and 6004 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") *inter alia*, (i) approving and authorizing the sale of certain fee-owned properties free and clear of liens, claims, encumbrances and interests (collectively "Encumbrances") and exempt from any stamp, transfer, recording or similar tax; (ii) approving certain sale procedures to be used in connection with such sales; and (iii) approving forms of transfer agreements; and upon the Order of this Court dated January 23, 2001 (the "Order") *inter alia*, (i) authorizing an auction of the sale of the Debtors' assets to take place on February 9, 2001

(the “Auction”); (ii) approving the terms and conditions of the Auction, including bidding procedures related thereto (the “Bidding Procedures”); (iii) establishing a deadline for submission of cure amounts and other material information with respect to certain leases to be sold; and (iv) fixing hearings to approve the Auction results, lease transactions and to resolve any disputes regarding cure amounts or objections to lease assignments;

And it appearing that the Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1334 and that this is a core proceeding pursuant to 28 U.S.C. § 157 (b)(2)(A), (M) and (O);

And it appearing that good and sufficient notice of the Motion has been given to (i) the Office of the United States Trustee, (ii) Berlack, Israels & Liberman, LLP, counsel to the Official Committee of Unsecured Creditors (the “Committee”), (iii) Morgan, Lewis & Bockius, LLP, counsel for The Chase Manhattan Bank, as agent for the Debtors’ pre-petition lenders (the “Banks”), (iv) all parties who have filed a notice of appearance in these chapter 11 cases, and (v) parties asserting mortgages or liens, if any, on the real property and personal property described in the Contract (as defined below) (the “Property”) located in Pittsburgh, PA and referred to at the Auction by property number 415.

NOW, THEREFORE, the Court hereby finds as follows:

A. The Property was properly auctioned at the Auction in accordance with the Bidding Procedures;

B. The transfer of the Property to Loft, a Pennsylvania Limited Partnership (the “Purchaser”) on the terms set forth in the Real Estate Purchase Contract (the “Contract”), attached hereto as Exhibit A, is in the best interests of the Debtors, their estates and their creditors, and the

Debtors have articulated good and sufficient business justification to transfer the Property to the Purchaser on the terms set forth in the Contract.

C. The terms of the Contract conform substantially to the form of real estate purchase contract approved pursuant to the Order, are fair and reasonable and the price to be paid by the Purchaser pursuant to the Contract represents the highest and best offer for the Property.

D. The Bidding Procedures afforded a full and fair opportunity for any entity to make a higher and better offer to purchase the Property.

E. A reasonable opportunity to object or be heard regarding the relief requested in the Motion has been afforded to all interested persons and entities, parties, if any, who are known to claim interests or liens upon the Property.

F. The Purchaser bid at the Auction and executed the Contract in good faith and at arm's length. The Purchaser is entitled to the protections of a good faith purchaser pursuant to section 363(m) of the Bankruptcy Code with respect to the transaction approved hereby.

G. The Property may be sold pursuant to section 363(f) of the Bankruptcy Code, free and clear of any Encumbrance upon the Property.

H. The transfer of the Property is necessary to the Debtors' liquidation efforts and will be integral to any chapter 11 plan proposed by the Debtors in these cases, and is deemed reasonably necessary to the consummation of any chapter 11 plan(s) pursuant to section 1146(c) of the Bankruptcy Code.

ACCORDINGLY, after due deliberation, and sufficient cause appearing therefor, it is hereby

ORDERED that the Motion is granted to the extent provided below; and it is further

ORDERED that any objections to the transfer of the Property that have not been withdrawn, waived or settled, and all reservations of rights therein, are overruled on the merits, except as specifically set forth below; and it is further

ORDERED that the terms and conditions of the Contract are hereby approved, and the transfer of the Property is hereby authorized under sections 363(b) and (f) of the Bankruptcy Code; and it is further

ORDERED that the Debtors are authorized to execute and deliver, and empowered to fully perform under, consummate and implement, the Contract, together with all additional instruments and documents that may be reasonably necessary or desirable to implement the Contract; and it is further

ORDERED that pursuant to section 363(f) of the Bankruptcy Code and Bankruptcy Rule 6004(c), the Debtors be, and hereby are, authorized to transfer the Property free and clear of all Encumbrances, except for Permitted Encumbrances, as defined in the Contract, with all such Encumbrances to attach to the proceeds of such transfer in the order of their priority, with the same validity, force and effect which they now have as against the Property; and it is further

ORDERED that except as may be expressly permitted by the Contract, all persons and entities holding Encumbrances of any kind and nature with respect to the Property are hereby barred from asserting Encumbrances against the Purchaser, its successors or assigns, or the Property; and it is further

ORDERED that if any person or entity that has filed financing statements or other documents or agreements evidencing Encumbrances on the Property shall not have delivered to the Debtors prior to the Closing (in proper form for filing and executed by the appropriate parties), termination statements, instruments of satisfaction, releases of all Encumbrances that the person or entity has with respect to

such Property, the Purchaser hereby is authorized to execute and file such statements, instruments, releases and other documents on behalf of the person or entity with respect to such Property. The foregoing notwithstanding, the provision of this Order authorizing the transfer of the Property free and clear of Encumbrances shall be self-executing, and notwithstanding the failure of the Debtors, the Purchaser or any other party to execute, file or obtain releases, termination statements, assignments, consents or other instruments to effectuate, consummate and/or implement the provisions hereof, all Encumbrances on such Property shall be deemed released; and it is further

ORDERED that this Order shall be binding upon and govern the acts of all entities, including without limitation, all filing agents, filing officers, title agents, title companies, recorders of mortgages, recorders of deeds, registrars of deeds, administrative agencies, governmental departments, secretaries of state, federal, state and local officials, and all other persons or entities who may be required by operation of law, the duties of their office or contract to accept, file, register or otherwise record or release any documents or instruments, or who may be required to report to or insure title or state of title in or to any of the Property. Each and every federal, state and local governmental agency or department is hereby directed to accept any and all documents and instruments necessary and appropriate to consummate the transactions contemplated by the Contract, including without limitation, documents and instruments for recording in any governmental agency or department required to transfer to the Purchaser any and all licenses under the Debtors' ownership necessary for the operation associated with the Property, and county and state offices wherein termination statements under the Uniform Commercial Code are authorized to be filed; and it is further

ORDERED that the Purchaser shall be entitled to the protections of section 363(m) of the Bankruptcy Code; and it is further

ORDERED that this Court retains jurisdiction (i) to enforce and implement the terms and provisions of the Contract, (ii) to resolve any disputes arising under or related to the Contract and (iii) to interpret, implement and enforce the provisions of this Order; and it is further

ORDERED that the Contract and any related agreements, documents or other instruments may be modified, amended or supplemented by the parties thereto in accordance with the terms that any such modification, amendment or supplement is not material and adverse to the Debtors or any other party affected thereby; and it is further

ORDERED that, subject to consummation of the transaction contemplated by the Contract, the Debtors are authorized to pay a commission to Keen Realty Consultants, Inc. (“Keen”) in the amount of \$27,750.00 (the “Fee”), incurred in connection with the transfer of the Property. The fee is based upon a rate of 1.5%, subject to final adjustment upon completion of all transactions relating to the Auction, in accordance with the agreement between Keen and the Debtors, as approved by this Court on February 7, 2001; and it is further

ORDERED that, except as otherwise provided herein, all proceeds of the transfer of the Property shall be deposited into a segregated, interest-bearing account (the “Account”) of the Debtors and be held therein until further order of this Court upon written notice to the Debtors, the Banks, the Official Committee of Unsecured Creditors and holders of other mortgages or leasehold mortgages with respect to the Property provided, however, that nothing in this Order shall contradict or compromise the rights of the Objecting Lenders as provided in this Court’s Orders of January 23, 2001 and February 6,

2001 and the Stipulations placed on the record on January 12, 2001 and January 19, 2001, and, as provided therein, the claims of the Objecting Lenders with regard to the subject property to the extent the validity, priority and extent of lien have been determined by the Court, shall be paid upon Closing; and it is further

ORDERED that the additional interest, fees and other charges due to any Objecting Lenders and accruing on and after the dates specified in the February 6, 2001 Orders fixing the Objecting Lenders' claims shall be fixed by pay-off letter provided to the Debtor, the Banks and the Committee on or before Closing. In the event of an objection to such additional amount which cannot be resolved by agreement, the party objecting may petition the Court on three (3) days' notice for a resolution prior to Closing; and it is further

ORDERED that any of the Objecting Lenders or other secured lenders which obtain an order of the court establishing the validity, priority and extent of liens on the subject properties after the Closing, shall be paid from any escrow established hereunder promptly upon such determining order becoming final; and it is further

ORDERED that the transfer of the Property shall be, and hereby is, deemed exempt from state and local transfer taxes pursuant to section 1146(c) of the Bankruptcy Code or otherwise, and the recordation of any and all instruments to evidence the transfer shall not be subject to transfer, recordation, stamp or similar tax, provided that a chapter 11 plan is confirmed; and it is further

ORDERED that any sums necessary to pay the items referred to in the preceding decretal paragraph shall be placed into escrow with the title company pending confirmation of a plan or further order of this Court; and it is further

ORDERED that, in the event of default by the Purchaser, the Debtors are authorized to settle an order, upon counsel to the Banks and the Committee, and upon the United States Trustee, substantially in the form of this Order, authorizing the Debtors to sell the Property to the “Back-up Bidder”, as such term is defined in the Bidding Procedures; and it is further

ORDERED that in accordance with Bankruptcy Rule 6004(g), this Order shall be effective and enforceable immediately upon entry.

Dated: New York, New York
February 22, 2001

/s/ STUART M. BERNSTEIN
UNITED STATES BANKRUPTCY JUDGE